

Chula Vista Redevelopment

Frequently Asked Questions

What is Redevelopment?

In most cities, there are aging neighborhoods with poorly maintained houses and buildings, high vacancies and turnovers of businesses and homes, and failing or non-existing infrastructure (streets, sewers, sidewalks). These areas can become centers of poverty, overcrowding, and crime, draining the entire community socially and economically. To help solve this problem, California enacted the "Community Redevelopment Law."

Redevelopment is a process created by state law to help local governments turn declining areas in their communities around. As existing buildings are improved or removed and new development comes in, more dollars become available to the City that can then be put back into the community to improve schools, roads, and libraries, and increase public safety. Through redevelopment, public dollars, time, and energy are focused in these areas to jump start the revitalization process. The focused attention helps attract and guide investment back into the community to improve living and working conditions.

Why Can't Private Enterprise Do It Alone?

Deteriorated areas designated for redevelopment are found in neighborhoods where private enterprise has begun to move out. If deterioration is not stopped, the area will continue on its downslide and new businesses and development will be hesitant to invest in these neighborhoods.

To attract new private development and dollars back into the Project Area, certain improvements may be needed. Public funding can begin the reinvestment process by improving streets, utilities, landscaping, and parking, for example. This can jump-start interest in an area.

How is redevelopment done?

Redevelopment rehabilitates existing structures, redesigns areas with inefficient site layout, and encourages new construction and development. Redevelopment also builds and rehabilitates affordable housing, builds public facilities such as parks, libraries, and community centers, and improves infrastructure such as streets, sidewalks, sewers, storm drains, water systems and street lights. All of this revitalizes the area economically, making it more attractive for new investors to bring more housing, jobs, and development to the area.

REDEVELOPMENT TOOLS

- Assemble land for development.
- Improve public infrastructure (streets, sewers, water lines) and facilities (parks, libraries, community centers) to attract private enterprise.
- Create affordable housing.

Who Oversees Redevelopment?

The **Chula Vista Redevelopment Agency** oversees all redevelopment activities within the City. Since the goals of the Agency are aligned with those of the City of Chula Vista, the five members of the City Council also serve as the Board of Directors of the Chula Vista Redevelopment Agency. However, they are two separate and distinct legal entities.

How are Areas of the City Chosen for Redevelopment?

Redevelopment can only be used in deteriorated areas that have been designated by the Redevelopment Agency as a **Redevelopment Project Area**. Project Areas are chosen through

a lengthy process that involves public input. One main factor in establishing a project area is demonstrating the existence of what is legally termed “**blight**.” Blight means that negative physical, social, or economic conditions exist, and that the area needs to be improved to protect residents’ health, safety, and quality of life.

WHAT IS BLIGHT?

Blight is the existence of physical or economic conditions that lead to a reduction or lack of proper use of an area.

Examples of Physical Blight.....

- Abandoned buildings or neglected property
- Vacant lots or underutilized properties
- Poor infrastructure such as sewers, drains, or lighting

Examples of Economic Blight

- High business vacancies or turnover rates
- Flat or declining property values
- Negative environmental conditions or high crime rates
- Lack of neighborhood businesses

What Areas of Chula Vista are Redevelopment Project Areas, and What is Planned for Them?

Approximately 3,560 acres of primarily commercial and industrial properties are within Redevelopment Project Areas. These areas generally cover the City’s Bayfront, its historic Downtown, commercial/business corridors along Broadway, Third Avenue, and H Street, and its industrial corridor along Main Street and the Otay Valley.

Every five years, redevelopment agencies are required to adopt implementation plans that outline their goals for redevelopment project areas and how they will accomplish them. The Chula Vista Redevelopment Agency’s current plan is the Five Year Implementation Plan for 2005-2009. It will tell you what is planned for each of Chula Vista’s six redevelopment areas. To access the Implementation Plan online, visit www.chulavistaca.gov/redevelopment.

CHULA VISTA’S REDEVELOPMENT PROJECT AREAS

- Town Centre I
- Town Centre II
- Southwest
- Bayfront
- Otay Valley
- Added Area (established in 2004)

You can view a map of the Project Areas and find out what specific projects are being planned, are underway, or have been completed recently by visiting the interactive map of Chula Vista’s redevelopment project areas. Go to www.chulavistaca.gov/redevelopment, and click on “Projects.” This will visually show you where each project is located and tell you who the developer is and what is proposed for the site.

What is a Redevelopment Plan?

Once a Project Area has been designated, a formal **Redevelopment Plan** is adopted for the area. The plan explains how the Redevelopment Agency will work to improve conditions in the project area. It can also provide a framework for specific redevelopment activities that will take place, and establish ways to fund redevelopment activities. The Redevelopment Plan must be consistent with the City’s General Plan, and does not include any land use designations.

How Can Redevelopment Benefit Chula Vista?

Redevelopment is an effective way to improve the quality of life for residents in the community. By attracting private investment, redevelopment can beautify the community and revitalize commercial centers such as downtown, and improve community pride. The following examples are some of the ways that redevelopment makes communities better places to live, work and play.

An important benefit of redevelopment is **environmental cleanup**. It is very expensive for private developers to clean up environmentally contaminated sites. Sometimes, the only way polluted land can be cleaned up is with financial help from the Redevelopment Agency. Recently, the Chula Vista Redevelopment Agency helped clean up pollution from an automotive facility to make way for a new mixed use project at 760 Broadway. The Agency has also helped clean up a portion of the Auto Park area on Main Street so that new car dealerships can build there.

Redevelopment also improves Chula Vista's **public infrastructure** such as streets, sidewalks, street lighting, and drainage. Recently, the Redevelopment Agency funded improvements to the Palomar and H Street entryways from the I-5 Freeway, and improvements to Third Avenue and Bay Boulevard.

Redevelopment facilitates **economic development and job creation**. It stimulates private reinvestment in local neighborhoods and businesses. The Chula Vista Redevelopment Agency has assisted in the development of quality office space to attract new businesses to the area and keep more jobs in Chula Vista.

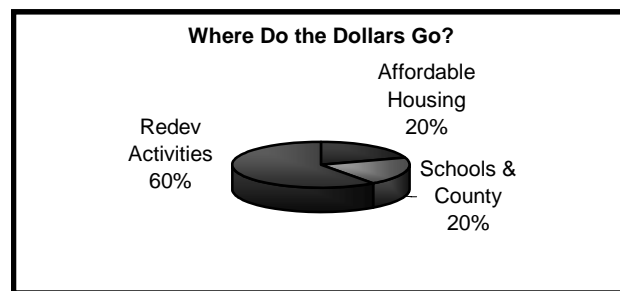
The Redevelopment Agency is critical to funding the creation of new **affordable housing** for low income residents in Chula Vista. There is a significant need for affordable housing in Chula Vista, and the private market alone has not been able to meet this need. Some examples of Agency-funded affordable housing in Western Chula Vista are the Brisa Del Mar project on the corner of Main Street and Broadway, and the Trolley Trestles and Trolley Terrace projects on Ada Street near the Palomar Trolley Station.

These are just some of the benefits of redevelopment in Chula Vista. Redevelopment can also help **reduce crime** by redeveloping sites with high crime rates, **revitalize waterfronts**, **preserve open space**, and improve communities in many situations where the private market or local community cannot do it alone.

How is Redevelopment Paid For?

When a project area is designated, the property tax values are "frozen." That amount is the base tax. Any later increase in property taxes is called "tax increment," and goes to the Redevelopment Agency. If the Agency gets \$100 in tax increment, it's distributed as follows:

- \$20 is set aside to help fund low and moderate-income housing ("set-aside")
- About \$20 goes to local schools and the county ("pass-throughs")
- The remaining \$60 goes to the Redevelopment Agency to fund public improvements and economic development projects, and to pay off debt



Gradual increases in property taxes, especially in the beginning of the life of a Project Area, are not enough for a redevelopment agency to accomplish all of its goals on a pay-as-you-go basis.

So, redevelopment agencies borrow against future revenues by issuing bonds (Tax Allocation Bonds) that provide upfront monies that can be leveraged toward projects and other improvements that spur additional investment and tax generation. The bonds work like loans which the Agency (not the City) is responsible for repaying over many years.

In the past, the Chula Vista Redevelopment Agency has used tax increment financing to pay for projects like the Park Plaza Parking Structure and the Scripps Hospital Expansion, affordable housing projects like Brisa del Mar, Trolley Trestles and Trolley Terrace, and streetscape improvement projects on Palomar, H Street, Third Avenue, and Bay Boulevard. For a detailed list of recent Chula Vista Redevelopment activities, please refer to the Five Year Implementation Plan. You can access a copy of the Plan by visiting our web site at www.chulavistaca.gov/redevelopment, and clicking on "About CVRC."

How Do I Know if I Live in a Redevelopment Area?

For a map of Chula Vista's Redevelopment areas, please visit www.chulavistaca.gov/redevelopment, and click on "Projects."

What Does it Mean to Live in a Redevelopment Area?

Living in a redevelopment area is really not much different from living in any other part of the City. Project areas are targeted for public improvements (such as street landscaping, sidewalks, alley paving, street lighting, rehab loans for homes and businesses, parks and community centers, etc.) to help boost economic development. You may see some of these things happen in your neighborhood. If redevelopment efforts are successful, the area can be a very exciting place and offer residents a lot of opportunities.

It is important to remember that changes don't happen overnight. Redevelopment requires careful planning and proper phasing of development. Living in a project area, you may see gradual changes as redevelopment progresses. By playing an active role in the redevelopment process, you can help shape the direction of your community.

How does living in a Redevelopment Area affect my property taxes?

It doesn't. You pay the same property taxes (1%) whether you are in a redevelopment area or not. Property taxes are based on the value of your home when you bought it. Your property value may increase as a result of the improvements and rehabilitation going on in your area, but the assessed value of your home for tax purposes only changes if it is reassessed because of significant improvements to your property, or because you sell your property.

One difference between living in a redevelopment area and outside of one is how property taxes are used. In a redevelopment area, more property tax revenues stay local and go directly to the Redevelopment Agency for reinvestment in the project area.

What is eminent domain? How does it work? How does it affect my home?

In the course of improving a redevelopment project area, a redevelopment agency may be involved in helping develop a project that will benefit the public, and it may need to purchase certain property to make the project possible.

EMINENT DOMAIN

A law giving certain public agencies like cities, school districts and redevelopment agencies the right to acquire or "condemn" private property only if that property is needed for a project that will benefit the public.

Occasionally, there may be a property where the property owner and public agency cannot agree on the sale of the property. When the well-being of the residents or businesses in the project area is in jeopardy, the Redevelopment Agency can use its power of eminent domain as a last resort to acquire property.

In the City of Chula Vista's redevelopment project areas, eminent domain powers cannot be used to acquire any residentially-zoned properties that are used for residential purposes. If non-residential property is acquired through eminent domain, an independent appraisal is done on the property and the owner is paid fair market value. Additionally, property owners who sell their properties under eminent domain may receive significant tax benefits and be eligible for relocation benefits.

How Can I Participate in the Redevelopment Process?

Community input, ideas, and support are crucial to the success of redevelopment. A primary way to get involved is through the **Redevelopment Advisory Committee**, or "RAC." The RAC is a community-based advisory committee and serves as the primary vehicle for public participation in the redevelopment process.

GETTING INVOLVED

Ways you can get involved:

- Serving on neighborhood committees
- Attending community forums
- Speaking at public hearings (RAC/CVRC)
- Writing letters to the governing bodies

The public is welcome and encouraged to attend the meetings of both the RAC and the CVRC. All meetings and agendas are posted in public posting places and online for interested parties. For Meeting Information, please visit www.chulavistaca.gov/redevelopment, and click on "Meetings."

If I'm Interested in Developing, Expanding, or Improving Property in a Redevelopment Area, What Do I Need to Know?

What does the Agency want in its Redevelopment Areas?

The Agency's 2005-2009 Five Year Implementation Plan outlines what it is striving for in its redevelopment areas. It breaks down the areas into North, South, and West:

	Area	Program
North	North of L Street, East of I-5, West of I-805	<ul style="list-style-type: none"> • 220,000 square feet of new retail/commercial development • 700 units of new market-rate homeownership development • 100 new units of affordable rental housing • Streetscape improvements along Third Avenue and F Street
West	West of I-5 (Bayfront)	<ul style="list-style-type: none"> • 1,500 room hotel and 400,000 square feet of convention space • 2,000 units of new housing • Environmental cleanup of contaminated properties
Southwest	South of L Street, East of I-5	<ul style="list-style-type: none"> • 180,000 square feet of new industrial development • Five new auto dealerships • 240 new units of affordable housing • Infrastructure improvements along Main Street

For a copy of the current 2005-2009 Five Year Implementation Plan, please visit our web site at www.chulavistaca.gov/redevelopment and click on "About CVRC."

What is the Project Review Process?

The land use rules in redevelopment areas are the same as everywhere else in the City. The only difference is who makes the decisions. In redevelopment areas, the Chula Vista Redevelopment Corporation (CVRC) is the main decision-maker for development projects. Outside of redevelopment areas, depending on the project, the Design Review Committee (DRC), Resource Conservation Commission (RCC), and Planning Commission may be the decision-maker(s). For more information about the Chula Vista Redevelopment Corporation, please visit our web site at <http://www.chulavistaca.gov/redevelopment>.

What forms of redevelopment assistance are available?

The Redevelopment Agency sometimes provides assistance to developers to reduce private risk for larger scale projects that offer significant community benefits, such as parks, public art, public plazas and spaces, and affordable housing. Assistance can include financial subsidies, land, and public improvements. Qualification for assistance is rigorous and involves careful evaluation of important criteria, including:

- Corporate profile
- Development experience, including references
- Types of projects completed or underway
- Financial capacity
- Development team and bios
- Ability and willingness to partner with the City/Agency

Agency assistance also requires a formal contract with the Agency that must follow state-mandated rules. For more information about redevelopment assistance, please contact redevelopment staff by e-mail at CDRevel@ci.chula-vista.ca.us or by phone at (619) 691-5047.